

WASHINGTON TIMES

DATE 14 APRIL 86PAGE 3A

Army loses 1st big spy case since crackdown

By Pam McClintock
THE WASHINGTON TIMES

With the acquittal of former Army counterintelligence officer Richard Craig Smith, the Justice Department has lost its first major espionage case since the government began an all-out crackdown.

Friday night, a federal jury found Mr. Smith not guilty of selling the Soviets classified information on six U.S. double-agent operations. During the five-day trial Mr. Smith testified that he was working for the CIA when he received \$11,000 in exchange for turning over the secret information to a KGB officer in Tokyo in 1982 and 1983.

Mr. Smith told the jury that his CIA contacts failed to intervene when he was interrogated and later arrested by FBI agents in April 1984.

The government cannot appeal the verdict, which was rendered by

the nine-woman, three-man jury in U.S. District Court in Alexandria after six hours of deliberation.

"What can I say? I am free," said Mr. Smith, who directed double-agent operations while working with the Army's Intelligence and Security Command from 1973 to 1974. "It has been a 2½-year ordeal."

Over the weekend, Mr. Smith and his family and friends celebrated the verdict at a country home in Loudoun County owned by one of his attorneys, Williams Cummings.

"I think essentially that the jury must have believed Craig," Mr. Cummings said when reached yesterday. "I think it was a fair trial."

Since 1975, the FBI, Justice Department and U.S. intelligence agencies have mounted an all-out effort to arrest more spies, and the government has prosecuted 47 cases, the Justice Department's internal security chief, John L. Martin, said in a

recent interview.

Mr. Martin said at the time that, apart from the spy cases then pending, "all have been disposed of favorably for the government."

The Justice Department could not be reached for comment yesterday on the verdict in the Smith case.

Assistant U.S. Attorney Joseph Aronica, who appeared outraged when the verdict was read by a court clerk, had portrayed Mr. Smith as a man who sold out his country because of financial difficulties. Mr. Aronica could not be reached for comment yesterday.

In closing arguments, Mr. Aronica said that Mr. Smith fabricated the story about working for the CIA. "He [Mr. Smith] should have told the FBI 'time out. I'm working with the agency.' He didn't because he was not working for the agency," Mr. Aronica said.

Mr. Smith testified that he was authorized to turn over information on double-agent operations by two CIA agents, Ken White and Danny Ishida, as part of an operation to infiltrate Soviet intelligence.

After two meetings at the Soviet commercial compound in November 1982 and February 1983, Mr. Smith said he was unable to contact Ken White and Danny Ishida through a Honolulu phone number ringing at the now-defunct Hawaiian firm of Bishop, Baldwin, Rewald, Dillingham and Wong.

Mr. Smith testified that he called an FBI agent in San Francisco in June 1983 and asked to be put in touch with the CIA.

Mr. Smith alleged that when he received a callback from the CIA, former CIA agent Charles Richardson, also known as Richard P. Cavanaugh, told him to keep his "mouth shut" and not say "anything to anybody" about the operation.